

*In Addition to Current Medicaid Funding Increases, Provides Arizona with \$2.5 Billion*

**WASHINGTON** - In the wake of the State of Arizona's sweeping cuts to health care, U.S. Rep. Harry Mitchell today said he was pleased that the pending health care reform package would reduce Arizona's Medicaid costs. The reduction was a critical factor leading to Mitchell's decision to support health care reform.

The reconciliation bill fixes serious concerns Mitchell had about the Medicaid provisions in the Senate Bill and their impact on Arizona. While the health reform package, including the Medicaid measures will benefit Arizona in many ways, actions at the state level will hurt Arizona's economy.

"The health reform package is beneficial to Arizona," Mitchell said. "If it wasn't, I wouldn't vote for it. The State of Arizona had a fiscal crisis before this bill, and would still be mired in one without it. What is not beneficial is the state's decision to kick kids off state health insurance, risking billions in federal matching funds and killing over 42,000 jobs while still keeping corporate bailouts on the table. That is not a recipe for economic recovery. This does irreparable harm to Arizona families, hospitals and those with insurance who will be hit with higher insurance premiums to cover the cost of the uninsured."

Mitchell added, "The Medicaid provisions in the reconciliation bill treat Arizona equitably, reward it for having a robust Medicaid program and save the state money. In addition, the reconciliation bill includes many other fixes to the Senate bill including removing the so-called Cornhusker Kickback and ensuring Arizona small construction businesses are treated fairly."

Specifically, the reconciliation bill includes a "do-gooder" provision that rewards states like Arizona with robust Medicaid programs. Arizona will save \$432 million through a new federal match that will cover 90 percent of the cost of insuring childless adults enrolled in AHCCCS, Arizona's Medicaid program, by 2020. Childless adults make up more than one-third of the state's current Medicaid population. [Source: [Committee on Rules](#), U.S. House of Representatives]

In total, Arizona will receive \$2.5 billion for Medicaid funding, which includes a 100 percent match for the newly eligible population from 2014-2016 which then levels out at 90 percent. [Source: [Committee on Rules](#) , U.S. House of Representatives]

Additionally, Mitchell is advocating for an extension of the increased Federal Medical Assistance Percentage (FMAP) from the American Recovery and Reinvestment Act, also known as the Stimulus, which has brought in hundreds of millions of Medicaid dollars to Arizona.

Late last week, Governor Brewer signed a budget passed by the state legislature that eliminates KidsCare, Arizona's version of the Children's Health Insurance Program (SCHIP), a grant program that offers states a match of 75 percent federal money to 25 percent state money that serves children in families that earn too much money to qualify for Medicaid. Arizona is the only state to nation to eliminate this program. [Source: [The Arizona Republic](#) , March 20, 2010]

In 2009, Arizona received over \$70 million in federal grant money to cover approximately 47,800 children under SCHIP.